

AMERICANS FOR PROSPERITY

Wisconsin

Date: March 10, 2008

To: Members of the Senate Health, Human Services, Insurance and Job Creation Committee

From: Mark Block, Americans for Prosperity-WI Director

Re: Senate Bill 562

Americans for Prosperity (AFP) is a free-market grassroots organization that advocates for public policies that champion the principles of fiscal and regulatory restraint. Americans for Prosperity strongly opposes Senate Bill 562 (SB 562) - government run health care.

SB 562 or the *Healthy Wisconsin* plan does not take a market-driven, consumer-based approach to health care reform – it mandates coverage for all Wisconsinites; it does not address the current systemic drivers of high health care costs, such as waste and redundancies; and it proposes an exorbitant \$15.2 billion tax increase.

This is the wrong direction for Wisconsin. Another tax increase will further discourage employers from locating here and/or creating high paying jobs. Tax increases translate into job losses - families, businesses and capital leaving the state.

Furthermore, creating a new payroll tax will not likely keep pace with rising health care costs. Increases in health care costs have been rising much more rapidly than payrolls. This will create enormous pressure in the future to either raise taxes *again* or try to solve the health care crisis *again*.

According to the Wisconsin Policy Research Institute, when tax revenue does not keep pace with the quantity of health care that people demand when it's provided for them at no direct cost, shortages result, and governments develop rules and policies to allocate and ration health care services. Although *Healthy Wisconsin* does not propose creating state sponsored clinics, doctors, etc., the plan will have the same effect from a tax perspective, risking rationing in the long run.

AFP believes that government should be adopting market-driven approaches to health care delivery – adopting the federal provisions that allow citizens to deduct state income contributions from taxes used for Health Savings Accounts (HSAs); transparency in cost and quality of services; and supporting wellness initiatives in the workplace.

Health Savings Accounts

HSAs are a unique form of health insurance that combines high deductible health insurance plans with a healthcare savings vehicle, the HSA – a first step toward market reform in the health care arena. Dollars in an HSA can be used to cover a patient's out-of-pocket medical expenses, including costs not covered by an insurer, extended coverage, or other expenses.

The key hallmark of HSAs is that both contributions to the savings account and expenses paid out of the health savings account are 100% tax-deductible against one's federal income tax liability. Individuals own HSAs and this creates an opportunity for people to accumulate personal savings for their healthcare over the course of one's life.

HSAs are more flexible than traditional health insurance plans because the individual maintains control over how HSA dollars are spent. This flexibility provides individuals with more control and customizable care to suit their healthcare needs, which has earned HSA plans the nickname of "consumer-driven healthcare."

Under traditional insurance plans, patients rarely observe the true costs of healthcare because they pay, at most, very small co-pays, and this encourages overuse. HSA users are more closely connected with the costs of their care, which makes these users more cautious in healthcare consumption.

Transparency

Transparency is the key component to market driven health care reform. The purposes of transparency are to help patients make informed choices and control costs, to introduce a metric for providers and insurers to reward efficiency and quality, to enable providers to benchmark their performance (cost and quality), to provide information necessary for a competitive/market based system in health care, and to provide cost standards that help develop trust between patients and providers.

Critical factors that should be made transparent include the total cost of caring for a condition, the costs of particular health care services, the risks of treatment and illnesses, and the quality record of care and performance provided by doctors and medical facilities.

Wellness

Another part of consumer driven health care is creating a culture of wellness by advocating for models of consumer driven health care plans that emphasizes personal responsibility and a culture of prevention and wellness.

Consumer-based plans will hold down family costs down while encouraging individuals to pursue healthier lifestyles and to become more savvy users of healthcare services when they are required.

Consumer-based approaches to health care will change the role of employers in the health care system. Currently, the employer's role in most health care situations is to cope with paying the rising costs of insurance. In a more market-based health care system, employers will be encouraged to control costs by becoming proactive in promoting the well-being and good health of its employees.

We need to provide everyone in Wisconsin tools to become critical consumers of health care services. Wisconsinites are intelligent investors and consumers, making complex decisions in their daily lives and completely able to do the same in the health care arena, given the opportunity.



Wisconsin

**Statement Before the
Senate Committee on Health, Human Services,
Insurance and Job Creation**

By

**Bill G. Smith
State Director
National Federation of Independent Business
Wisconsin Chapter**

**Monday, March 10, 2008
Senate Bill 562**

My name is Bill G. Smith, and I am State Director of the National Federation of Independent Business (NFIB), the state's largest nonprofit organization, representing 12,000 small and independent businesses. A typical NFIB member has fewer than 10 employees, and has gross sales of about \$350,000 a year.

Mr. Chairman, members of the Committee, I appreciate the opportunity to make a brief statement on behalf of our state's small business owners in opposition to passage of Senate Bill 562. I represent many of the victims of unaffordable health insurance – both insured who struggle to maintain meaningful coverage, and the uninsured – about 47% of our membership – who would be devastated by a new tax on their payroll, which would diminish their prospects for their future success to grow and offer new employment opportunities.

It is somewhat ironic that I should appear today in strong opposition to this proposal. It is, of course, a comprehensive reform proposal intended to make health insurance affordable and coverage meaningful. These are goals the small business community shares with the author of this proposal. These goals have been at the top of the NFIB legislative agenda for many years. We have worked hard for legislation and regulations that we believe would help small business achieve meaningful health insurance coverage at an affordable cost.

The author of this legislation should receive an "A" for effort, but unfortunately, a failing grade for content.

Senate Committee on Health, Human Services, Insurance and Job Creation – continued
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We commend the author for attempting to respond to the concerns of small business in his revisions to the earlier version of the Healthy Wisconsin proposal. He rightfully focused in on those firms with fewer than 10 employees, and he recognized the impact this proposal will have on those small businesses by phasing-in the new payroll tax assessment.

However, and unfortunately, whether these small employers have their payrolls taxed immediately, a year from now, or three years from now, the economic hardship a new payroll tax will inflict on small business will be the same.

When small business owners themselves are asked what should be the role of employers in financing employee healthcare?

- 58% - Voluntary provision
- 23% - No role for employers – individual's responsibility.
- 6% - Mandatory provision
- 4% - Undecided
- 3% - Payroll tax on employers

Source: NFIB Research Foundation, Small Business Owners on Healthcare Policy, 10,000 random members, 1,654 participated, response rate 17%

According to yet another survey study, when NFIB members were asked: Should government assess a payroll tax or other sanctions on businesses that do not provide health insurance for their employees? **86% said No.**

I know there are trade-offs, Mr. Chairman, in debates over public policy. Senate Bill 562 would trade \$17 billion in health insurance premiums with a \$15 billion payroll tax, a tax assessed regardless of ability to pay, regardless of profitability, and regardless of employer and employee choice.

But Wisconsin's small business owners are simply not interested in that deal.

Based on a survey study of our members, **70 percent of our state's small business owners are opposed to any statewide health insurance reform proposal that relies on an assessment on payroll for funding.**

The NFIB Research Foundation utilizes a simulated computer model (NFIB/BSim) to measure the impact of mandates placed on employers.

Although we have only preliminary numbers, the simulation summary indicates that the smallest firms were almost 2.5 times more likely to suffer employment loss as a result of Healthy Wisconsin.

Senate Committee on Health, Human Services, Insurance and Job Creation – continued
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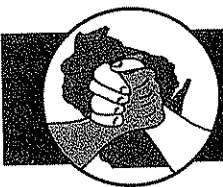
A new payroll tax, whether assessed in 2008 or three years from now, is still a regressive tax that will have a devastating impact on the self-employed, small businesses, sole proprietors, and thousands of firms operating with a small profit margin. It will guarantee Wisconsin will never be home to the next Microsoft, or any other innovative entrepreneur.

Senate Bill 562 will discourage small business creation, limit small business growth, and place in jeopardy the jobs our small businesses provide everyday that are essential to the economic growth of our state.

Senate Bill 562 and other so-called universal healthcare reform initiatives are simply the wrong medicine for a complex problem.

Mr. Chairman, on behalf of our state's small business owners who are members of NFIB, we are grateful for the hard work you've invested in this important issue. But the negative economic impact and inherent unfairness of your solution to tax the payroll of small business employers and their employees is rejected by the small business community, and we are, therefore, **opposed to passage of Senate Bill 562.**

Thank you.



Wisconsin State AFL-CIO ...the voice for working families.

David Newby, President • Sara J. Rogers, Exec. Vice President • Phillip L. Neuenfeldt, Secretary-Treasurer

David Newby
March 10, 2008

414-581-0942

TESTIMONY IN SUPPORT OF "HEALTHY WISCONSIN"

Thank you for the opportunity to speak to you today in support of "Healthy Wisconsin". As you know, the Wisconsin State AFL-CIO has been working intensely on the issue of guaranteeing quality, comprehensive, affordable health care to everyone in Wisconsin for well over seven years (to say nothing of other efforts that go back almost twenty years). So we are proud to have been part of the process that got us to this proposal today.

There has been a great deal of discussion—pro and con—about Healthy Wisconsin since the Senate added it to their version of the Budget last summer. This discussion has been good. First, it has served to make the issue of quality and affordable health care for all the top domestic issue in Wisconsin. Second, it has demonstrated that it is indeed possible—and financially advantageous—to provide quality, affordable health care to everyone in Wisconsin. And third, it has raised questions not initially anticipated by the authors of Healthy Wisconsin.

I would like to commend Chairman Erpenbach for his tireless scheduling of hearings and forums on Healthy Wisconsin since its introduction. I would also like to commend him for responding to what he and others heard at those hearings and forums by making changes to the proposal.

The phase-in for small businesses of the employer share of the payroll assessment that finances Healthy Wisconsin is especially important. According to the Legislative Fiscal Bureau, only 38.7% of firms with fewer than 10 employees provide insurance for their employees. But 70.1% of firms with 10 to 24 employees provide insurance. So targeting the phase-in to small businesses with 10 or fewer employees makes eminent good sense, since these firms are most likely not to provide insurance currently and would therefore have a significant increase in costs if required to remit 10.5% of payroll from the first day Healthy Wisconsin is implemented.

It is encouraging, too, that this phase-in is affordable by tapping in to some of the savings in the public sector.

We were also pleased to see a family cap of 4% of Social Security wages so that a family with multiple earners is not paying an inordinately high amount as their fair share of the costs of Healthy Wisconsin.

Detractors of Healthy Wisconsin keep insisting—indeed hammering—that Healthy Wisconsin requires a \$15B tax increase. This argument is simply untrue. It is deceptive and disingenuous, designed to frighten Wisconsinites into thinking that the cost of quality health care for everyone in Wisconsin is far beyond our means.

Healthy Wisconsin funds health care in a different fashion—payroll assessments as opposed to premiums paid to insurance companies and HMO's—but since those

assessments replace currently paid premiums, we have to compare the two, not deceive people into thinking that Healthy Wisconsin will cost \$15 B more than we are paying now.

Indeed the estimate is that if Healthy Wisconsin were in effect in 2007, our total health care expenditures for those covered by the Plan would have been \$751 M **less** than what we spent last year if no changes had been made. Furthermore, businesses that provide at least some health insurance to their employees would have saved \$686 M—and yet **everyone** in Wisconsin—including the currently uninsured and underinsured—would have the comprehensive, quality health care they need: guaranteed!

So those who charge that “Healthy Wisconsin” is a massive \$15 B tax **increase** are simply deceiving the people of Wisconsin.

When **everyone**—individual and employer alike—pays their fair share, it is possible to provide the best health care for **everyone** in Wisconsin: **at a total cost less than we are paying today!**

But we also need to control costs in coming years: not by taking it out of the hides of those who provide health care or pretending that we can cut costs by insisting that we all become better “shoppers” for health care, but by being more efficient and effective in the way we deliver care. Healthy Wisconsin incorporates mechanisms to ensure that increases in health care costs are no greater than the National Rate of Medical Inflation (which they have been in most recent years).

We also know that by dramatically reducing unnecessary bureaucratic, administrative, underwriting, and price negotiation costs and building quality and best-

practice standards into the very structure of the health care system in Wisconsin that we can cut costs and keep them to an even lesser rate of inflation.

In addition, by requiring that everyone chose a primary care provider, giving them a medical “home”, and providing incentives for preventive care and chronic disease management, we know from all recent medical research that these measures will both improve the health of our population and reduce costs below what we are paying now.

Much more could—and should—be said in support of Healthy Wisconsin, but let me simply stress that in addition to improving health and saving money, Healthy Wisconsin would give us all greater freedom.

- It would eliminate personal bankruptcies due to unpaid medical costs (which are responsible for almost 50% of all individual or family bankruptcies today).
- It would allow people to change jobs, while now they may well have to stay in a job they hate just so they have health insurance for themselves and their family.
- It would allow people to start new businesses, without having to take the risk of going without health insurance and knowing that they could recruit top-notch employees who would also be guaranteed excellent health care.
- It would allow people to retire early and still get the health care they need, while continuing to pay their fair share toward the cost of their care. It would also allow someone to retire when they become eligible for Medicare, rather than having to work more

years if they have a younger spouse who would have no access to health care once they were no longer covered by an employer's policy.

Finally, in recent months Healthy Wisconsin has started to become a model for other states that want to ensure that all their people have quality, affordable, comprehensive health care. A bill modeled on Healthy Wisconsin was introduced in the Washington State Legislature just weeks ago. Legislators in at least two other states are also looking to the Healthy Wisconsin model to solve the health care crisis they also face. That is a powerful tribute to the authors of Healthy Wisconsin. It also means that by passing Healthy Wisconsin, Wisconsin can once again be recognized as it was in the 20th century under the leadership of the Republican Progressives for leading the way on sensible legislation that sets the standard for the country. We did it for Workers Compensation, we did it for Unemployment Insurance, as well as many lesser measures. Let's now do it for health care.



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TO: Senator Jon Erpenbach, Chair and the Members of Senate Health, Human Services,
Insurance, and Job Creation Committee
FROM: Gina Dennik-Champion MSN, RN, MSHA
WNA Executive Director
DATE: March 10, 2008
RE: Support for SB 562 - Relating to: the establishment of the Healthy Wisconsin Plan and the
Healthy Wisconsin Authority, granting rule-making authority, and making an appropriation.

Good morning Chairperson Erpenbach and members of the Health, Human Services, Insurance, and Job Creation Committee. My name is Gina Dennik-Champion. I am an RN and I am here today to relay the Wisconsin Nurses Association (WNA) support for SB 562 – Healthy Wisconsin. WNA is the professional association for all RNs in Wisconsin.

Wisconsin's 76,000 plus registered nurses provide health care in a variety of settings throughout Wisconsin. RNs serve in hospitals, clinics, nursing homes, schools, hospices, home health agencies, assisted living facilities, public health departments, community clinics, correction facilities, workplaces, and communities of worship. You will find these RNs providing direct care, health promotion and prevention, and patient education services. Among all health care providers, RNs play a unique role in seeking, pursuing, and ensuring coordination of health services and promoting patient advocacy. We have witnessed first-hand the problems in delivering and providing care to our patients and in 2003 felt the need to get involved and address this issue.

We ended the first phase of our work in January of 2005 when a group of professional nursing associations including WNA, issued a paper that focused on the growing concerns about our failing health care delivery system. This paper calls for health care reform objectives that focus upon ensuring and sustaining health rather than a focus centered merely upon financing a system. The paper *The Wisconsin Community of Nursing's Agenda for Health Care Reform* was in direct response to the following:

- 350,000-plus persons go without care or enter the system sicker, at higher cost entry points
- Double digit increases in health costs, annually
- Health care workforce shortages
- Limited access to health care in rural communities and dense urban areas
- Decreased profits for businesses as health insurance costs rise
- Decreased personal incomes as more out-of-pocket spending goes toward health services
- Gaps, fragmentation and duplication in delivery of services
- A rapidly growing aging and culturally diverse population
- A "system" that is complex, confusing and wasteful

be higher than if all employees were covered under the same insurer. The ineffectiveness of their plan is highlighted when looking at the cost of their plan on the taxpayers of Wisconsin - a \$1,500 per month family rate for an 80,000+ employees is not successful. As of 2007, the average premium for taxpayer funded premiums for family coverage in the State Employees Plan is over \$1,500 per month, which is far higher than what most private sector firms pay for health care coverage. By any standards in the private sector, this is a plan that is truly not working. It is proof once again that when you spend someone else's money (in this case the taxpayers), you do so inefficiently and without regard to those paying the premium.

► **Logically Unworkable**

The Healthy Wisconsin proposal appears to be unworkable. First, half of the health care purchases in the state are excluded from the proposal; Medicare and Medicaid purchases. Of the remaining half over 60% are made under self insured benefit plans which are preempted from state insurance law by a federal law called ERISA. (ERISA explicitly states that it supersedes any and all state laws that relate to any employee benefit plan.) This leaves 40% of the states employers who provide health insurance and the uninsured to be covered by the proposal. Making changes that impact only 20% to 30% of the health care purchases in the state will not produce the desired results. The logic from Healthy Wisconsin supporters is that employers are required to pay a tax, not provide benefits. The state then provides the benefits. Employers therefore cannot claim ERISA exemption from the state law. The argument is thin at best as the United States Supreme Court has held that similar state wide plans violate ERISA.

► **Outdated Plan Design**

Healthy Wisconsin embraces plan designs which have proven to generate unnecessary costs and which have forced numerous employers to abandon health benefit plans over cost issues. The average cost for the proposed plan for state employees is over \$11,000 per year. The average spent by private sector employers is slightly over \$6,000. Higher deductible plans coupled with medical savings accounts have come to be regarded as the future of health benefits. These plans provide employees with an incentive to function as consumers seeking quality and price information to determine the value of proposed health services. In addition, the medical savings accounts enable people to build a financial reserve to deal with future health needs regardless of their employer. The accounts can also be used to supplement Medicare payments assuring people of access to the best health care in the future.

► **Loss of Quality Providers**

The implementation of this plan will threaten the continued presence of high quality health care providers in the State of Wisconsin. A talented physician is in demand in numerous parts of the country. Why would these highly trained men and women subject themselves to the reimbursement levels established by a state plan? Many would undoubtedly leave the state which not only threatens the availability of those services in the state but also a valuable state "export".

► **Potential Demise of Small Business**

The Small businesses and start up businesses have provided virtually all growth in state employment for several years. Larger businesses have actually lost employment in the state. Many of these small businesses could not survive if forced to provide health benefits through a state tax system. This would result in a loss of current employment and future employment opportunities.



THE WISCONSIN NURSING COMMUNITY AGENDA FOR HEALTHCARE REFORM



January 2005

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ACKNOWLEDGEMENTS:

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We extend appreciation as well to the valuable contributions of Donna Friedsam, M.P.H., Association Director, Wisconsin Public Health and Health Policy Institute, University of Wisconsin, and to Tracy Ellingson, consultant.

patient mortality rose seven percent for every additional patient added to the average nurse's workload. This study, as reported in the Journal of the American Medical Association on October 2002, affirms the critical role registered nurses play in patient safety when able to make direct assessment and life saving interventions. Further support for designing effective nurse work environments to promote patient safety comes from the Quality Chasm Series; Institute of Medicine *Keeping Patients Safe: Transforming the Work Environment of Nurses*, (National Academies of Science, 2004).

Wisconsin Nurses Support:

- Developing systems that protect the rights and responsibilities of all healthcare providers with respect to reporting activities or practices that jeopardize patient safety.
- Designing work environments and equipment that prevent and mitigate patient and staff injuries.
- Optimizing a registered nurse workforce to maximize patient safety.
- Using best practices to encourage healthcare facilities to become "magnet recognition" facilities which have higher retention rates and improved patient outcomes.
- Promoting professional development and competencies of nurses with respect to creating and supporting patient safety systems
- Supporting professional organizations and associations that promote patient safety.
- Implementing coordination strategies to reduce error in managing chronic disease.

Coordinated Disease Management

Goal: To help people with chronic conditions prevent, delay or minimize disease and disability progression, and maximize health and well being.

"Disease management is a system of coordinated healthcare interventions and communications for populations in which patient self-care efforts are significant. Disease management supports the practitioner/patient relationship and plan of care; emphasizes prevention of exacerbations and complications by

Prevention and Health Promotion

Goal: To build a delivery system that reinforces and reimburses preventive services across the life span and supports health consumers in being knowledgeable and engaged partners in preventive care strategies.

Health is defined as "a state of well-being and capability to function in the face of changing circumstances" (Durch, Bailey, & Soto, 1997). Prevention is the cornerstone to optimal health. Preventive services help individuals become and stay healthy. These services range from *primary prevention* which focuses on health education and specific protection; to *secondary prevention* which focuses on screening, early detection and prompt treatment; to *tertiary prevention* which focuses on limiting the progression of disease. The goal to prioritize prevention across the life span addresses the need to protect and promote health by creating and assuring conditions in which all people of Wisconsin can be healthy and stay healthy throughout their lives.

Health includes both personal and societal dimensions. The personal dimension of health includes acquiring knowledge, acting upon that knowledge and creating healthful opportunities for individuals and families to make decisions. The societal dimension of health includes coordinated efforts within the community in partnership with the public health system to assure conditions that foster good health.

Prevention is a major vehicle by which health status is attained and maintained. Coverage that does not provide access to preventive care will continue to increase costs as consumers invariably become subject to disease and require more treatment and service.

Wisconsin Nurses Support:

- The Wisconsin State Health Plan *Healthiest Wisconsin 2010: A Partnership Plan to Improve the Health of the Public*, which cites 11 health priorities that influence both health and illness. Listed alphabetically below, they are:
 - Access to primary and preventive health services
 - Adequate and appropriate nutrition
 - Alcohol and other substance use and addiction services
 - Environmental and occupational health hazards

- Existing, emerging, and re-emerging communicable diseases
- High-risk sexual behavior
- Intentional and unintentional injuries and violence
- Mental health and mental disorders
- Overweight, obesity and lack of physical activity
- Social and economic factors that influence health
- Tobacco use and exposure

Health Literacy

Goal: To support consumers as they negotiate complex healthcare systems and use information to effectively enhance their health.

The Institute of Medicine (IOM) defines health literacy as "the degree to which individuals have the capacity to obtain, process and understand health information and services needed to make appropriate health decisions." Health communication contributes to all aspects of health promotion and disease prevention. Communication is critical for people's exposure to, search for and use of health information. This includes the ability to reduce or eliminate unhealthy behaviors and adopt healthy ones. Health literacy is associated with severe disease outcomes and more costly care. Higher costs result from medication and treatment errors, more hospitalizations, longer hospital stays, more provider visits, and increased use of inappropriate emergency room services. Death rates from chronic disease, communicable disease and injuries are inversely related to the level of understanding health consumers have about their lifestyle choices, conditions and treatment options. Consumers, however, are faced with a number of challenges as they seek health information and find strategies in navigating an increasingly complex health system environment.

Wisconsin Nurses Support:

- Advocacy for and participation in educational activities that result in increased consumer and healthcare provider competencies.
- Healthcare practitioners are provided the tools, skills and system that support assessment of consumer health literacy.
- Active participation by all practitioners to communicate good health practices beginning at infancy and continuing into adulthood.

- Delivery of services that are culturally competent and inclusive of individual health beliefs.
- Consumer involvement in continuous learning and ongoing communication of information between care givers, organizations and the general public.
- Dissemination of information about population health risks through the construction and increased use of public health messages and campaigns.
- Further development of online personal health records, health web sites, interactive personal health tools and telemedicine.

Patient Safety

Goal: To effect fundamental and sustainable improvements in patient safety.

Patient safety is the prevention of healthcare errors and the elimination of patient injury caused by healthcare errors. (NPSF® Board July 2003). A healthcare error is defined as an unintended healthcare outcome caused by a defect in the delivery of care to a patient. Healthcare errors may be errors of commission (doing the wrong thing), omission (not doing the right thing) or execution (doing the right thing incorrectly). Errors may be made by any member of the healthcare team as well as a consumer in any care setting. They can happen at any point in the care process or result from a systems failure. It is estimated that nationally, between 44,000 and 98,000 patients die each year as a result of healthcare errors. This number exceeds deaths resulting from motor vehicle accidents, breast cancer and AIDS. The total costs associated with healthcare errors are estimated to be between \$17 billion and \$29 billion. Patients and their families suffer as a result of healthcare errors and it produces a wasteful drain on our limited healthcare resources. Errors are grossly underreported in most healthcare settings because of cultures that shame those involved or demand "silence." It is impossible to correct errors if they are not reported. Errors that plague our healthcare system also erode public trust.

Adequate registered nurse staffing and supportive practice environments are proving to be a strong influence in achieving good patient outcomes. Nurses are the surveillance system for early detection and intervention for adverse health occurrences. Current research by Linda Aiken of the University of Pennsylvania cites that

Underlying Principle: Coverage for All

Wisconsin nurses believe it is essential that reform afford all persons in Wisconsin access to a standard package of evidenced-based, quality healthcare services that provide a coordinated continuum of care across the lifespan. A benefit package should include the following essential services:

1. Prevention/Health promotion
2. Primary healthcare
3. Outpatient professional services and therapies
4. Coordinated disease management
5. Emergency and acute care
6. Mental health and substance abuse care
7. Prescription drugs, medical supplies and equipment
8. Hearing, oral health and vision care
9. Rehabilitative and restorative care
10. Long-term care
11. Palliative and end-of-life care

To provide access for all we endorse the following strategies:

- Spread financial risk through increased access to existing and larger purchasing pools.
- Fully fund programs and assure reimbursement levels as necessary to prevent cost shifting.
- Promote billing and reimbursement systems that increase cost awareness and sensitivity among consumers, providers, employers, and purchasers.
- Elevate health promotion and prevention to reduce the need for the intensive resource investments in disease intervention.

Significant annual rises in healthcare costs and policy recommendations that curtail access to services cannot be allowed to go unchecked. The four tents outlined in this position paper are derived from the belief that overall reform needs to begin by encouraging all healthcare providers, purchasers, consumers and policymakers to think in terms of a health agenda rather than a healthcare financing agenda.

utilizing evidence-based practice guidelines and patient empowerment strategies; and evaluates clinical, humanistic and economic outcomes on an ongoing basis with the goal of improving overall health" (Disease Management Association of America). Disease management covers the continuum of chronic disease care. It extends from early detection (the identification of non-symptomatic, undiagnosed or high-risk populations) and early interventions to prevention or reduction of the chronic disease risk complications through supportive end-of-life care. Disease management is a strategy concerned with an individual's health over extended periods. It differs significantly from the current healthcare system that has been designed to deliver acute and episodic, but not chronic care.

Seventy-eight percent of all medical dollars are spent treating chronic disease, making people with chronic conditions our largest, highest-cost, and fastest-growing services group. The incidence of chronic disease increases with age, suggesting that the number of adults living with chronic disease will continue to increase as the number of older adults (aged 65 years and older) increases. By 2030 over 20 percent of the U.S. population will be 65 years and older. Just as noteworthy is the fact that although many of the individuals affected will be older adults, chronic disease affects children and adults of all ages.

The current healthcare infrastructure is not efficient in addressing the needs of persons with chronic conditions. Individuals with multiple chronic disease conditions require multiple healthcare practitioners that are specialists in treating and managing the specific disease. Individuals that have these multiple chronic disease states require coordination of all the care and services provided so that fragmented, duplicated, redundant, and contraindicated care can be avoided. In addition, coordination of the complementary care and services that provide ongoing support to those with chronic conditions as well as their families is critical for effective disease management.

Wisconsin Nurses Support:

- Services that integrate and coordinate care across care delivery systems.
- Programs that support advocacy for patients.
- Activities that guide and support consumers in developing self-care management skills.

- Collaborating with information system technology organizations will produce an increase in interactive and experiential education.
- Expanding implementation of robotics and other technology in healthcare environments can improve patient safety and reduce occupational physical risks.
- Integrating evidence-based protocols in the management of disease promotes high-quality, cost-efficient and safe health outcomes.

Everyone is a participant in our healthcare system and deems some responsibility for the future and evolution of the health of our society. Wisconsin's 60,000 plus registered nurses stand ready and are committed to working with other partners to reform healthcare in Wisconsin.

*"Nursing is the
protection, promotion and optimization
of health and abilities, prevention of illness and injury,
alleviation of suffering through
the diagnosis and treatment of human response,
and advocacy in the care of individuals,
families, communities and populations."*

(American Nurses Association 2003)